

and yesterday's turnout demonstrated to the world that they seek to pursue a more stable and peaceful future through the political process. Once results are finalized, a new Parliament will convene and debate the makeup of a new Government to serve the Iraqi people. Whatever the outcome of this process, it should serve to unite the country through the

formation of a new Government that is supported by all Iraqi communities and that is prepared to advance tangible and implementable programs. There will be more difficult days ahead, but the United States will continue to stand with the Iraqi people as partners in their pursuit of a peaceful, unified, and prosperous future.

Letter to the Speaker of the House of Representatives Transmitting Budget Amendments for Fiscal Year 2015 *May 1, 2014*

Dear Mr. Speaker:

I ask the Congress to consider the enclosed Fiscal Year (FY) 2015 Budget amendments for the Departments of Agriculture, Defense, Energy, Homeland Security, the Interior, and State, as well as the National Science Foundation and the Court Services and Offender Supervision Agency for the District of Columbia. These amendments do not affect the proposed FY 2015 Budget totals.

These amendments are necessary to reflect correctly policies assumed in the FY 2015 Budget. The details of these amendments are set forth in the enclosure from the Deputy Director of the Office of Management and Budget.

Sincerely,

BARACK OBAMA

The President's News Conference With Chancellor Angela Merkel of Germany *May 2, 2014*

President Obama. Well, good morning, everybody. It is always a great pleasure to welcome my friend Chancellor Merkel to the White House. Germany is one of our strongest allies, and Angela is one of my closest partners. And with her indulgence, I want to start by making two brief comments.

First, as President, my top priority is doing everything that we can to create more jobs and opportunity for hard-working families, for our economic strength is a source of strength in the world. And this morning we learned that our businesses created 273,000 new jobs last month. All told, our businesses have now created 9.2 million new jobs over 50 consecutive months of job growth.

The grit and determination of the American people are moving us forward, but we have to keep a relentless focus on job creation and creating more opportunities for working families.

There's plenty more that Congress should be doing, from raising the minimum wage to creating good construction jobs rebuilding America. And I want to work with them wherever I can, but I keep acting on my own whenever I must to make sure every American who works hard has the chance to get ahead.

Second point: I also want to say on behalf of the American people that our thoughts are with the people of Afghanistan, who have experienced an awful tragedy. We are seeing reports of a devastating landslide, on top of recent floods. Many people are reported missing; rescue efforts are underway. Just as the United States has stood with the people of Afghanistan through a difficult decade, we stand ready to help our Afghan partners as they respond to this disaster. For even as our war there comes to an end this year, our commitment to Afghanistan and its people will endure.

Now, Angela, I'm still grateful for the hospitality that you and the German people extended to me, Michelle, and our daughters last year in Berlin. It was an honor to speak at the Brandenburg Gate. You promised me a warm welcome and delivered an unbelievable 90-degree day in Berlin.

This morning our work touched on the range of issues where the United States and Germany are vital partners. We agreed to continue the close security cooperation—including law enforcement, cyber, and intelligence—that keeps our citizens safe. We reaffirmed our strong commitment to completing the Transatlantic Trade and Investment Partnership, T-TIP, which is critical to supporting jobs and boosting exports in both the United States and in Europe.

We discussed energy security, including the importance of Europe diversifying its energy sources. The United States has already approved licenses for natural gas exports, which will increase global supply and benefit partners like Europe. And T-TIP would make it even easier to get licenses to export gas to Europe.

At our working lunch, we'll review our negotiations with Iran and our shared determination to prevent Iran from acquiring a nuclear weapon. We'll discuss Syria, where we continue to support the moderate opposition and provide humanitarian relief to the Syrian people. I look forward to briefing Angela on my trip to Asia, a region where both our nations can help ensure that all countries in the Asia-Pacific adhere to international law and international norms.

Of course, most of our time was spent on the situation in Ukraine. Angela, I want to thank you for being such a strong partner on this issue. You've spoken out forcefully against Russia's illegal actions in Ukraine. And you've been a leader in the European Union, as well as an indispensable partner in the G-7. And your presence here today is a reminder that our nations stand united.

We are united in our determination to impose costs on Russia for its actions, including through coordinated sanctions. We're united on our unwavering article 5 commitment to the

security of our NATO allies, including German aircraft joining NATO patrols over the Baltics. We're united in our support for Ukraine, including the very important IMF program approved this week to help Ukraine stabilize and reform its economy. And as Ukrainian forces move to restore order in eastern Ukraine, it is obvious to the world that these Russian-backed groups are not peaceful protesters. They are heavily armed militants who are receiving significant support from Russia. The Ukrainian Government has the right and responsibility to uphold law and order within its territory, and Russia needs to use its influence over these paramilitary groups so they disarm and stop provoking violence.

Let me say that we're also united in our outrage over the appalling treatment of the OSCE observers who have been detained in eastern Ukraine. Pro-Russian militants are still holding seven observers, including four Germans, as well as their Ukrainian escorts. They've been paraded in front of the media and forced to make statements at the barrel of a gun. It is disgraceful, and it's inexcusable. Russia needs to work to secure their immediate release, and the international community is not going to be satisfied until Colonel Schneider and his fellow captives come home.

Finally, as both Angela and I have repeatedly said, we want to see a diplomatic resolution to the situation in Ukraine. But we've also been clear that if the Russian leadership does not change course, it will face increasing costs as well as growing isolation: diplomatic and economic. Already, the ruble has fallen to near all-time lows, Russian stocks this year have dropped sharply, and Russia has slipped into recession. Investors are fleeing, and it's estimated that a hundred billion dollars in investment will exit Russia this year. Russian companies are finding it harder to access the capital they need, and Russia's credit rating has been downgraded to just above junk status. In short, Russia's actions in Ukraine are making an already weak Russian economy even weaker.

Moreover, if Russia continues on its current course, we have a range of tools at our disposal, including sanctions that would target certain

sectors of the Russian economy. And we've been consulting closely with our European and G-7 partners, and we're stepping up our planning. Angela and I continued these consultations today. The Russian leadership must know that if it continues to destabilize eastern Ukraine and disrupt this month's Presidential election, we will move quickly on additional steps, including further sanctions that will impose greater costs. But that is a choice facing the Russian leadership.

Our preference is a diplomatic resolution to this issue. And the Ukrainian Government has already shown itself more than willing to work through some of the issues that would ensure that the rights of all Ukrainians are respected, that you have a representative government. They've shown themselves willing to discuss amendments to their Constitution that devolve power to a local level. They have gone through with their commitment to potentially provide amnesty for those who lay down arms and who are willing to abandon the buildings that they've occupied. The Ukrainian Government in Kiev has followed through on the commitments that it made in Geneva. We need Russians to do the same.

So, Angela, I want to thank you again for being here and, as always, for your friendship and partnership. These are challenging times. Russia's actions in Ukraine pose a direct challenge to the goal that brought Europe and the United States together for decades, and that is a Europe that is whole, free, and at peace. Just as our predecessors stood united in pursuit of that vision, so will we.

Chancellor Merkel.

Chancellor Merkel. Well, thank you very much, Barack, for this gracious hospitality and this very warm welcome that you accorded to me. And I'm very glad to be able to be back in Washington to have an opportunity to address all of these different issues with you.

I think priority really is on the current issue of Ukraine, and that loomed very large on our agenda. It showed how important the transatlantic partnership is also in today's times. And I think it's a very good thing that all of those steps that we've taken so far, we've taken to-

gether. And today, in our talk, we yet again underlined that we fully intend to go ahead as we did in the past. What happened on Ukraine, what happened on the Crimean Peninsula? Well, the postwar order has been put into question that rests on the acceptance of territorial integrity by all, and this is why it was so important for us to react in concord.

And what is at stake here is that people in Ukraine can act on the basis of self-determination and can determine themselves which road they wish to embark on into the future. The 25th of May is a very crucial date in order to ensure that, and we will see to it that elections can take place. The OSCE will play a central role in all of this. We talked about this. And together with the OSCE, we shall do everything we can in order to bring Russia, that is, after all, a member of the OSCE, to do the necessary steps so as the 25th of May, bringing about some progress in stabilizing Ukraine.

The 25th of May is not all that far away. Should that not be possible to stabilize the situation, further sanctions will be unavoidable. This is something that we don't want. We have made a diplomatic offer—an offer for a diplomatic solution. So it's very much up to the Russians which road we will embark on, but we are firmly resolved to continue to travel down that road.

Now, secondly, we addressed issues that have bearing on the work of the intelligence services here. Let me underline yet again for the German side: We have always enjoyed a very close cooperation with our American partner on this front. And anyone in political responsibility is more than aware, looking at the challenges of the modern world today, that obviously in fighting terrorism, the work of the intelligence services is not only important, it is indeed indispensable.

I am firmly convinced that our cooperation in this area is a very helpful one, yet there are differences of opinion on what sort of balance to strike between the intensity of surveillance, of trying to protect the citizens against threats, and on the other hand, protecting individual privacy and individual freedom and rights of personality. And that will require further

discussion between our two countries in order to overcome these differences of opinion.

We have these discussions incidentally also on the European front. We are talking about safe harbor agreement, for example, about a privacy protection agreement. And I take back the message home that the U.S. is ready to do that, is ready to discuss this, although we may have differences of opinion on certain issues.

Thirdly, T-TIP, I think particularly in the overall context of further intensifying our trade relations, of global growth, but also in the context of diversification of our energy supply, this is a very important issue. It will be very important for us to bring the negotiations very quickly to a close on T-TIP. We are firmly convinced that for the European Union, for Germany, and for the United States, this offers a lot of opportunities for the future. And it's so important for us to bring this agreement to a successful conclusion. There are a number of discussions, I know, a number of skeptical remarks. People have doubts. But these doubts, this skepticism, can be overcome, and it needs to be overcome. Just look at the many partners all over the world that have bilateral trade agreements. I mean, it's simply necessary. Looking at the intensity of a transatlantic partnership and the closeness of our partnership, for us to have this agreement—this transatlantic trade agreement—and we are fully at one on this one.

So we had very intensive talks, and we were going to build on this over lunch. Thank you very much, Barack, for giving me this opportunity, and also thank you for your gracious hospitality.

President Obama. I think we're going to take two questions from the U.S. press and two questions from the German press. We'll start with Lesley Clark [McClatchy Newspapers].

Ukraine/International Sanctions Against Russia/Energy Procurement in Europe

Q. Thank you, Mr. President. With violence today in Ukraine, you've said today that Germany and the United States are united in efforts to deescalate. But have you been able to reach any common ground with the Chancellor

on sectoral sanctions, particularly the energy—the Russian energy sector—sector? What's next if you're unable to?

And to Chancellor Merkel, reports in the U.S. press have suggested that you've said that you believed President Putin may not be in touch with reality. Is that what you've said? Is that what you believe? And could you give us—you talked to him earlier this week—could you give us a little more insight into what he might be thinking? And do you believe that he is a threat to Europe? Thank you.

President Obama. Obviously, every day, we're watching the events in eastern Ukraine and southern Ukraine with deep concern. And I think that what you've seen over the course of the last several months in the midst of this crisis is remarkable unity between the United States and the European Union in the response.

We have at the same time offered a diplomatic approach that could resolve this issue. We have been unified in supporting the Ukrainian Government in Kiev, both economically, diplomatically, and politically. And we have said that we would apply costs and consequences to the Russians if they continued with their actions. And that's exactly what we've done. And you saw just over the course of the last week additional sanctions applied both by the Europeans and the U.S.

The next step is going to be a broader based, sectoral sanctions regime. And what we have said is, is that we want to continue to keep open the possibility of resolving the issue diplomatically. But as Angela Merkel said, if in fact we see the disruptions and the destabilization continuing so severely that it impedes elections on May 25, we will not have a choice but to move forward with additional, more severe sanctions. And the consultations have been taking place over the course of the last several weeks about what exactly those would look like and would apply to a range of sectors. The goal is not to punish Russia; the goal is to give them an incentive to choose the better course, and that is to resolve these issues diplomatically. And I think we are united on that front.

Within Europe, within the EU, I'm sure there has to be extensive consultations. You've got 28 countries, and some are more vulnerable than others to potential Russian retaliation, and we have to take those into account. Not every country is going to be in exactly the same place. But what has been remarkable is the degree to which all countries agree that Russia has violated international law, violated territorial integrity and sovereignty of a country in Europe. And I think there's unanimity that there have to be consequences for that.

How we structure these sectoral sanctions, the experts have been working on, and we anticipate that if we have to use them, we can. Our preference would be not to have to use them. And I thank Chancellor Merkel's leadership on this front. She has been extraordinarily helpful not only in facilitating European unity, but she's also been very important in helping to shape a possible diplomatic resolution and reaching out to the Russians to encourage them to take that door while it's still open.

Q. Do you feel confident you have German support on sectoral sanctions, particularly the energy sector?

President Obama. You've got to keep in mind that when it comes to sectoral sanctions, we're looking at a whole range of issues. Energy flows from Russia to Europe, those continued even in the midst of the cold war, at the height of the cold war. So the idea that you're going to turn off the tap on all Russian oil or natural gas exports, I think, is unrealistic. But there are a range of approaches that can be taken not only in the energy sector, but in the arms sector, the finance sector, in terms of lines of credit for trade, all that have a significant impact on Russia.

I don't think it's appropriate for us to delve into the details at this stage because our hope is that we don't have to deploy them. But what I can say is, is that our experts at the highest level—and not just bilaterally, but multilaterally through the European Commission and our diplomatic teams—have been working through all the possibilities, and we're confident that we will have a package that will further impact Russia's growth and economy. But again, our

hope is, is that we shouldn't have to use them. We're not interested in punishing the Russian people. We do think that Mr. Putin and his leadership circle are taking bad decisions and unnecessary decisions and he needs to be dissuaded from his current course.

Chancellor Merkel. It is, I think, obvious to all that there are very different assessments on what happens in Ukraine. On the one hand, you have the United States and Europe—we've always taken our decisions together—and on the other hand, the Russian appreciation and appraisal of the situation. I hope that Russia will live up better in the future to its responsibilities. But we need to see deeds matching up their words.

We don't have any release of the hostages of the OSCE, among them also four German hostages. This is a very crucial step that needs to happen first. We don't—we have not yet seen any implementation of the Geneva agreement by the Russian side. The Ukrainian side has taken some steps in the right direction. And the OSCE, too, is an organization to which we wish to accord a greater role so that they can prepare and pave the way for elections.

And one word on sanctions: I agree with the American President; they are not an end in itself, but combined with the offer that we want diplomatic solutions, it is a very necessary second component to show that we're serious about our principles. And there is a broad base, a broad range of possibilities that are being prepared for in the European Union. In Europe, we have taken a decision that should further destabilization happen, we will move to a third stage of sanctions.

I would like to underline: This is not necessarily what we want, but we are ready and prepared to go to such a step. My main aim would be, first and foremost, to improve stabilization and to see to it that the elections can happen there. We will work on this in the next few days, but we are also prepared to take further steps.

What we are talking about here will be sectoral measures in the context of certain branches of industry. The American President—and I can only agree to this—has said

what is necessary as regards the dependency on gas, which is very strong in Europe, but we can also look ahead, in the medium term, what we can do in order to promote an energy union in the European Union, which we're doing. Looking at our dependencies in the next 10 to 15 years on Russian gas supplies, there are six countries that—right now in the EU—that depend a hundred percent on gas supplies. We need to improve the reverse flow, as we call it. We need to improve our grid of pipelines. All of the countries need to share supplies. And those are measures that we're currently discussing in Europe.

We're talking about short-term, but also medium-term and long-term measures. And then, the free trade agreement, T-TIP, is also gaining more prominence in this respect.

Ukraine/President Vladimir Vladimirovich Putin of Russia

Q. Madam Chancellor, you said that time is of the essence and that it's getting shorter, leading up to the 25th. When would be the time when you would say a third phase—moving to a third phase of sanctions is what you would promote? And is a more energy-intensive initiative by the EU necessary, for example, on heads of state and government level?

And to President, can you understand the fact that also Mr. Putin needs to play a role in the solution, which is the position of the European Union, that also his arguments have to be weighed? And after the Chancellor having made those several phone calls with Mr. Putin, do you think that the Chancellor also stands a chance to, sort of, work on this?

Chancellor Merkel. Well, as to the question, what about the next few days to come, I think the meeting of Foreign Ministers of the EU on the 12th of May is going to play a very important role. In this respect, one can sound out the possibilities there are in various directions. We, from the German side, as we have agreed with our American friends, will do everything we can in order bring the OSCE into a situation, supported politically, that is, to do what is necessary in order to bring matters forward in Ukraine.

On the one hand, you have OSCE monitors for the elections, but also questions as regards a change of the Constitution; reform of—towards further devolution or decentralization. All of the different parts of the country obviously have to be at the same level as regards information on this, and the OSCE wants to do that. We want to give them the necessary political backing.

When a certain point in time is there, it's very difficult to predict. I can only say that, for me, the elections on the 25th of May are crucial. And should there be further attempts at destabilization, this will be getting more and more difficult. But for now, I am working for elections to take place on that very date, and the heads of state and government are ready at any time should they be proved necessary to meet.

We've proved that over the past in other areas, for example, the euro crisis. And we will demonstrate this resolve yet again. I am firmly convinced that the United States of America and the European Union need to act in concert here, and they have done so in the past, and they are going to continue to do so.

President Obama. I've said from the start that Russia has legitimate interests in terms of what happens next door in Ukraine. Obviously, there is a deep and complicated history between Russia and Ukraine, and so of course, Mr. Putin's views should be taken into account. What can't be taken into account is Mr. Putin's suggestion, both through words and actions, that he has the right to violate the sovereignty of another country, to violate its territorial integrity, to dictate the economic policies or foreign policy of a sovereign country. That's not acceptable.

Our view from the start has been that the Ukrainians should be able to make their own decisions. And I'm very confident that if the Ukrainians are allowed to make their own decisions, then they will choose to have a good relationship with Russia as well as a good relationship with Europe; that they'll want to trade with Russia and they'll want to trade with Europe. But what they cannot accept, understandably, is the notion that they are simply an

appendage—an extension—of Russia, and that the Kremlin has veto power over decisions made by a duly elected Government in Kiev.

So if in fact Mr. Putin's goal is to allow Ukrainians to make their own decisions, then he is free to offer up his opinions about what he would like the relationship to be between Ukraine and Russia. And I suspect that there will be a whole lot of Ukrainian leaders who will take those views into consideration. But it can't be done at the barrel of a gun. It can't be done by sending masked gunmen to occupy buildings or to intimidate journalists.

And one of the biggest concerns that we've seen is the Russian propaganda that has been blasted out nonstop suggesting somehow that the Ukrainian Government is responsible for the problems in eastern Ukraine. The Ukrainian Government has shown remarkable restraint throughout this process. The notion that this is some spontaneous uprising in eastern Ukraine is belied by all the evidence of well-organized, trained, armed militias with the capacity to shoot down helicopters. Generally, local protesters don't possess that capacity of surface-to-air missiles or whatever weapons were used to shoot down helicopters, tragically.

We've seen the attempts of OSCE monitors—who were approved not just by Europe or the United States, but also by Russia—being detained. And somehow, Russia is suggesting that Kiev is responsible for that? We've heard Mr. Putin say, well, Kiev has to do a better job of reaching out to Eastern Europe—or eastern Ukraine. You've seen attempts by Kiev in a very serious way to propose decentralization of power and to provide for local elections and for them to offer amnesty to those who have already taken over these buildings. None of that has been acknowledged by Mr. Putin or the various Russian mouthpieces that are out there.

You've also seen suggestions or implications that somehow Americans are responsible for meddling inside Ukraine. I have to say that our only interest is for Ukraine to be able to make

its own decisions. And the last thing we want is disorder and chaos in the center of Europe.

So for the German audience who perhaps is tuning into Russian TV, I would just advise to stay focused on the facts and what's happened on the ground. A few weeks ago, Mr. Putin was still denying that the Russian military was even involved in Crimea. Then, a few weeks later, he acknowledged, yes, I guess that was our guys. And so there just has not been the kind of honesty and credibility about the situation there and a willingness to engage seriously in resolving these diplomatic issues.

And our hope is, is that, in fact, Mr. Putin recognizes there's a way for him to have good relations with Ukraine, good relations with Europe, good relations with the United States. But it cannot be done through the kinds of intimidation and coercion that we're seeing take place right now in Eastern Europe [Ukraine].

Tangi [Tangi Quemener, Agence France-Presse].

Oklahoma's Execution of Clayton D. Lockett/Capital Punishment/Germany-U.S. Relations/National Security Agency's Electronic Surveillance Program

Q. Thank you, Mr. President. Earlier this week, an inmate died in Oklahoma in what critics have called an inhumane manner because of a seemingly botched execution. Human right groups put the United States in the dubious company of China, Iran, and Saudi Arabia when it comes to the prevalence of executions. Some European countries have expressed their concerns as well. What are your thoughts on this? And does this raise moral questions about U.S. justice and global reputation?

And to Chancellor Merkel, after Edward Snowden's revelations on U.S. surveillance of your own cell phone, you said that friends shouldn't spy on friends. Are you satisfied that the steps taken by the U.S. on NSA surveillance are now consistent with a healthy alliance? Has the personal trust been rebuilt? And

* White House correction.

I was wondering if you could elaborate a little bit on this no-spy agreement that apparently couldn't be reached. Thank you.

President Obama. What happened in Oklahoma is deeply troubling. The individual who was subject to the death penalty had committed heinous crimes, terrible crimes. And I've said in the past that there are certain circumstances in which a crime is so terrible that the application of the death penalty may be appropriate: mass killings, the killings of children. But I've also said that in the application of the death penalty in this country, we have seen significant problems: racial bias, an uneven application of the death penalty, situations in which there were individuals on death row who later on were discovered to have been innocent because of exculpatory evidence. And all these, I think, do raise significant questions about how the death penalty is being applied. And this situation in Oklahoma, I think, just highlights some of the significant problems there.

So I'll be discussing with Eric Holder and others to get me an analysis of what steps have been taking not just in this particular instance, but more broadly in this area. I think we do have to, as a society, ask ourselves some difficult and profound questions around these issues.

If you don't mind, I'm going to also go ahead and maybe say something about NSA, just because I know it's of great interest in the German press as well. Germany is one of our closest allies and our closest friends, and that's true across the spectrum of issues: security, intelligence, economic, diplomatic. And Angela Merkel is one of my closest friends on the world stage and somebody whose partnership I deeply value. And so it has pained me to see the degree to which the Snowden disclosures have created strains in the relationship.

But more broadly, I've also been convinced for a very long time that it is important for our legal structures and our policy structures to catch up with rapidly advancing technologies. And as a consequence, through a series of steps, what we've tried to do is reform what we do and have taken these issues very seriously. Domestically, we tried to provide additional as-

surances to the American people that their privacy is protected. But what I've also done is taken the unprecedented step of ordering our intelligence communities to take the privacy interests of non-U.S. persons into account in everything that they do, something that's not been done before and most other countries in the world do not do. What I've said is, is that the privacy interests of non-U.S. citizens are deeply relevant and have to be taken into account and we have to have policies and procedures to protect them, not just U.S. persons. And we are in the process of implementing a whole series of those steps.

We have shared with the Germans the things that we are doing. I will repeat what I've said before, that ordinary Germans are not subject to continual surveillance, are not subject to a whole range of bulk data gathering. I know that the perceptions, I think, among the public sometimes are that the United States has capacities similar to what you see on movies and in television. The truth of the matter is, is that our focus is principally and primarily on how do we make sure that terrorists, those who want to proliferate weapons, transnational criminals are not able to engage in the activities that they're engaging in. And in that, we can only be successful if we're partnering with friends like Germany. We won't succeed if we're doing that on our own.

So what I've pledged to Chancellor Merkel has been, in addition to the reforms that we've already taken, in addition to saying that we are going to apply privacy standards to how we deal with non-U.S. persons as well as U.S. persons, in addition to the work that we're doing to constrain the potential use of bulk data, we are committed to a U.S.-German cyber dialogue to close further the gaps that may exist in terms of how we operate, how you—German intelligence operates, to make sure that there is transparency and clarity about what we're doing and what our goals and our intentions are.

These are complicated issues, and we're not perfectly aligned yet, but we share the same values, and we share the same concerns. And this is something that is deeply important to

me, and I'm absolutely committed that by the time I leave this office, we're going to have a stronger legal footing and international framework for how we are doing business in the intelligence sphere.

I will say, though, that I don't think that there is an inevitable contradiction between our security and safety and our privacy. And the one thing that I've tried to share with Chancellor Merkel is that the United States, historically, has been concerned about privacy. It's embedded in our Constitution, and as the world's oldest continuous constitutional democracy, I think we know a little bit about trying to protect people's privacy.

And we have a technology that is moving rapidly, and we have a very challenging world that we have to deal with, and we've got to adjust our legal frameworks. But she should not doubt, and the German people should not doubt, how seriously we take these issues. And I believe that we're going to be able to get them resolved to the satisfaction not just of our two countries, but of people around the world.

Chancellor Merkel. Under the present conditions, we have, after all, possibilities as regards our differences of opinion to overcome those differences in the medium term and in the long term. One possibility is to enter into such a cyber dialogue, which is very important because that gives us a forum to have somewhat longer discussions as to where we stand individually, what the technical possibilities, but also ramifications, of our technological advances are.

Secondly, there are two strands of negotiations with the European Union: on the one hand, the safe harbor agreement, and then the data protection—privacy protection accord. And in the course of the negotiations, it will come out very clearly what differences of opinion there are, what different perspectives there are. And I think it's of prime importance for us to bring these negotiations forward, the process, but also bring it to a successful conclusion.

And something else comes into play. I heard this this morning when I had a breakfast meeting with people who are very closely in contact

with the Parliaments. They suggested to me that our Parliaments too ought to have closer contacts on this. And that's very important not only for the governments to talk about these things, but also for the broader public. And these could be three possibilities as to how to address this further and also understand each other's motivations and arguments better. Mr.—[inaudible]—please.

[At this point, the reporter asked a question in English as follows.]

National Security Agency's Electronic Surveillance Program/Germany-U.S. Security Cooperation

Q. Mr. President, could you explain us from your point of view why it's not possible to agree on a no-spy agreement, which was, as we understood, proposed by the U.S. Government last summer? What kind of assurances could you give Chancellor Merkel with regard not only to ordinary German citizens, but to government members—some of them sitting here—that they are not under U.S. surveillance anymore?

[The reporter asked an additional question in German, which was translated by an interpreter as follows.]

And, Chancellor, the question addressed to you: When the French President was here a few weeks ago, after his talk with President Obama, he said that trust as regards to the NSA discussion has been rebuilt. Couldn't you say the same thing?

President Obama. It's not quite accurate to say that the U.S. Government offered a no-spy agreement and then withdrew it. I think that what is accurate to say is, is that we do not have a blanket no-spy agreement with any country, with any of our closest partners. What we do have are a series of partnerships and procedures and processes that are built up between the various intelligence agencies.

And what we are doing with the Germans—as we're doing with the French, as we do with the British or the Canadians or anybody—is to

work through what exactly the rules are governing the relationship between each country and make sure that there are no misunderstandings. And I think that we have gone a long way in closing some of the gaps, but as Chancellor Merkel said, there are still some gaps that need to be worked through.

But I think what we can be confident about is that the basic approach that we take with Germany is similar to the approach that we take with all our allies and all our friends and that during the course of the last several years as technology advanced, I think there was a danger in which traditional expectations tipped over because of new technologies. And what we've tried to do is make sure that our policies now reflect increased capabilities and, as a consequence, increased dangers of intrusions in privacy.

But let me put it this way: Our interest in working effectively with the Germans and to making sure that German governments as well as the German people feel confident about what we do is as important to us as any other country. Germany is at the top of our list in terms of friends and allies and colleagues, and so we're not holding back from doing something with Germany that we somehow do with somebody else.

Chancellor Merkel. I think the whole debate, Mr.—[inaudible]—has shown that the situation is such that we have a few difficulties

yet to overcome. So this is why there's going to be this cyber dialogue between our two countries, and this is also why there needs to be and will have to be more than just business as usual. I mean, looking at the discussion not only in the German Parliament, but also among members of the German Government and also in the German public, we need to do that.

But it's very good that we have taken these first steps, and what's still dividing us—issues, for example, of proportionality, and the like—will be addressed. We will work on this, and it's going to be on the agenda for the next few weeks to come.

President Obama. Thank you very much, everybody.

NOTE: The President's news conference began at 12:07 p.m. in the Rose Garden at the White House. In his remarks, the President referred to Col. Axel Schneider, who led the team of Organization for Security and Co-operation in Europe (OSCE) monitors detained in Kramatorsk, Ukraine, on April 25; and former National Security Agency contractor Edward J. Snowden, who is accused of leaking classified documents to members of the news media. A reporter referred to President François Hollande of France. Chancellor Merkel and some reporters spoke in German, and their remarks were translated by an interpreter.

The President's Weekly Address

May 3, 2014

Hi, everybody. My number-one priority as President is doing whatever I can to create more jobs and opportunity for hard-working families. And yesterday we learned that businesses added 273,000 jobs last month. All told, our businesses have now created 9.2 million new jobs over 50 consecutive months of job growth.

But we need to keep going, to create more good jobs and give middle class families a sense of security. And I want to work with Congress to do it.

But so far this year, Republicans in Congress have blocked or voted down every serious idea to create jobs and strengthen the middle class. They've said no to raising the minimum wage, no to equal pay for equal work, and no to restoring the unemployment insurance they let expire for more than 2 million Americans looking for a new job.

That's not what we need right now. Not when there are still too many folks out of work and too many families working harder than ever just to get by.